

RESOLUTION 26-2009

RESOLUTION RELATING TO RURAL SPECIAL IMPROVEMENT DISTRICT NO. 2517; PRELIMINARY LEVY OF SPECIAL ASSESSMENTS ON PROPERTY WITHIN THE DISTRICT FOR THE PURPOSE OF FINANCING THE COST OF CERTAIN LOCAL IMPROVEMENTS AND FUNDING MAINTENANCE COSTS OF THE IMPROVEMENTS

BE IT RESOLVED by the Board of County Commissioners of Jefferson County, Montana, (the "County"), as follows:

Section 1. The District; Improvements; Maintenance. The County has created a Rural Special Improvement District (the "District") pursuant to Montana Code Annotated, Title 7, Chapter 12, Part 21, as amended (the "Act"), denominated Rural Special Improvement District No. 2517 (the "District"), and undertaken certain local improvements (the "Improvements") to benefit property located therein. The Improvements have been or, by the conclusion of the current construction season, will be substantially completed and the total costs of the Improvements to be paid with proceeds of the Bond (as hereinafter defined) are estimated to be \$271,333.00, including all incidental costs. The County has also provided for funding the estimated costs of maintaining the Improvements.

Section 2. The Bond. The County has pursuant to the Act issued its Rural Special Improvement District bonds drawn on the District, denominated "Rural Special Improvement District No. 2517 Bond", in the original aggregate principal amount of \$271,333 (the "Bond"), to finance costs, including incidental costs, of the Improvements. The Bond is payable primarily from special assessments to be levied against property in the District.

Section 3. Method of Assessment. (a) Pursuant to Resolution No. 16-2009, adopted by this Board on April 28, 2009, and which constitutes the resolution of intention to create the District, this Board determined to levy special assessments to pay the costs of the Improvements on the basis therein provided as authorized by the Act. The County also provided in such resolution of intention to create the District for creating a maintenance district and funding costs of maintaining the Improvements.

(b) This Board hereby ratifies and confirms that the assessment of costs of the specific Improvements against the properties benefitted thereby as prescribed by the resolution of intention are equitable and in proportion to and not exceeding the special benefits derived from the respective Improvements by the lots, tracts and parcels to be assessed therefore within the District, and the special assessments authorized by this resolution are in accordance with the methods and do not exceed the amounts prescribed by the resolution of intention.

Section 4. Proposed Levy of Assessments. The special assessments for the costs of the Improvements shall be levied and assessed against properties in the District in accordance with the method of assessments referred to in Section 3. Such assessments shall be payable over a term not exceeding 15 years, each in substantially equal semiannual payments of principal and

interest within a fiscal year, taking into account each year the variable rate of interest under the INTERCAP Program of the Montana Board of Investments. Property owners shall have the right to prepay the special assessments as provided by law.

The special assessments shall bear interest from the date of issuance of the Bond until paid at an annual rate equal to the Interest Rate (as hereinafter defined), as such may change from time to time, plus penalties and interest for delinquent installments as provided by law. As used herein, "Interest Rate" means, as of the date of determination, the sum determined as of the date an installment of the special assessment is levied each fiscal year, of (i) the then current Loan Rate (i.e., the interest rate under the INTERCAP Program of the Montana Board of Investments then in effect), plus (ii) one percent (1.00%) per annum, plus (iii) if and to the extent that the Loan Rate is then less than fifteen percent (15.00%) per annum (the maximum interest rate on the Bond), an additional one percent (1.00%) per annum, interest being payable with principal installments. The Interest Rate shall be determined by August of each fiscal year so long as any Bond is outstanding and shall apply to the outstanding installments of the special assessments not delinquent. If no amounts under the Bond are outstanding, but special assessments remain unpaid and are not delinquent, the Interest Rate shall be equal to the Interest Rate as most recently determined. The initial Interest Rate for the fiscal year ending June 30, 2010 (and with respect to principal and interest installments due on the Bond on February 15, 2010) shall be 3.25% per annum.

Exhibit A to this Resolution (which is hereby incorporated herein and made a part hereof) contains a description of each lot, tract or parcel of land to be assessed, the name of the owner, if known, and the total amount of the special assessment levied against each lot, tract or parcel, (the "Assessment Roll"). Exhibit A also contains the proposed amount to be assessed to pay maintenance costs of the Improvements.

The Assessment Roll is preliminary and is subject to consideration by this Board of the objections, if any, from owners of property in the District following the public hearing provided for in Section 7.

Section 5. Filing of Resolution. This resolution shall be kept on file in the office of the County Clerk and Recorder and shall be open to public inspection.

Section 6. Notice of Proposed Levy of Assessments. The County Clerk and Recorder is hereby authorized and directed to cause a copy of the notice of the passage of this resolution, substantially in the form of Exhibit B hereto (which is hereby incorporated herein and made a part hereof), (i) to be published twice in a newspaper meeting the requirements of Montana Code Annotated, Section 7-1-2121, with not less than six days between each publication before the date of the public hearing provided for in Section 7, (ii) to be mailed to the owner of each lot, tract or parcel of land to be assessed (to be determined from the last completed assessment roll for state, county, and school district taxes), on or before the same day such notice is first published; and (iii) to be mailed to such other persons or entities known by the County Clerk and Recorder to have an ownership interest in such lots, tracts or parcels (including, without limitation, mortgagees and vendees under contracts of deed), on or before the same day such notice is first published.

Section 7. Public Hearing; Objections. This Board shall meet on Tuesday, the 29th day of September, 2009 at 2:15 p.m., in the Jefferson County Courthouse at 201 Centennial, Boulder, Montana, for the purpose of conducting a public hearing on the levying and assessment of the special assessments in the District and considering the objections, if any, of the property owners to the levying and assessment of the special assessments.

ADOPTED by the Board of County Commissioners of Jefferson County, Montana, this 8th day of September, 2009.

ATTEST:

**BONNIE RAMEY
CLERK AND RECORDER**

TOMAS E. LYTHGOE, CHAIR

KEN WEBER, COMMISSIONER

DAVE KIRSCH, COMMISSIONER